

**BOUSTEAD SINGAPORE LIMITED**  
**AND ITS SUBSIDIARIES**



**ENGINEERING THE WORLD OF THE FUTURE**

ENERGY-RELATED ENGINEERING · REAL ESTATE SOLUTIONS · GEO-SPATIAL TECHNOLOGY

**SGXNET ANNOUNCEMENT**  
UNAUDITED RESULTS FOR 2Q FY2017  
ENDED 30 SEPTEMBER 2016



## Corporate Profile

Established in 1828, Boustead Singapore Limited is a progressive global service provider of infrastructure-related engineering services and geo-spatial technology. Focusing on the engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute Esri geo-spatial technology – the world's leading geographic information systems – to major markets across Australia and South East Asia. Our intelligent mapping platform and digital infrastructure are essential to create smart nations and smart cities by solving the world's largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

To date, we have undertaken infrastructure-related projects in 85 countries globally.

In 2008 and 2009, we were recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific's 200 best public-listed corporations under US\$1 billion in revenue. In 2015, we were also a winner of the Singapore Golden Jubilee Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore's progress and success over the past 50 years since independence. We are also listed on the MSCI World Small Cap Index for Singapore and the FTSE ST Small Cap Index.

Visit the Group website at [www.boustead.sg](http://www.boustead.sg).

**BOUSTEAD SINGAPORE LIMITED**  
(Company Registration No. 197501036K)

**Unaudited Financial Statements and Related Announcement for the Second Quarter Ended 30 September 2016**

**PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS**

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	GROUP Second quarter ended			GROUP Half-year ended		
		30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %	30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %
<b>Revenue</b>		113,454	115,117	-1%	227,160	231,847	-2%
<b>Cost of sales</b>		(77,313)	(74,889)	3%	(155,057)	(154,578)	0%
<b>Gross profit</b>		36,141	40,228	-10%	72,103	77,269	-7%
Other income	1	1,565	1,621	-3%	2,889	3,248	-11%
Other gains and losses	2	954	1,075	-11%	1,837	(1,534)	NM
Expenses							
- Selling and distribution		(7,540)	(6,985)	8%	(15,392)	(14,705)	5%
- Administrative		(14,864)	(16,160)	-8%	(30,195)	(30,883)	-2%
- Finance		(664)	(1,185)	-44%	(1,335)	(2,331)	-43%
Share of loss of associated companies and joint ventures		(623)	(477)	31%	(1,067)	(806)	32%
<b>Profit before income tax</b>	3	14,969	18,117	-17%	28,840	30,258	-5%
Income tax expense	4	(3,076)	(4,378)	-30%	(6,461)	(7,626)	-15%
<b>Total profit</b>		11,893	13,739	-13%	22,379	22,632	-1%
Profit attributable to:							
Equity holders of the Company		7,629	10,295	-26%	14,618	16,615	-12%
Non-controlling interests		4,264	3,444	24%	7,761	6,017	29%
		11,893	13,739	-13%	22,379	22,632	-1%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP Second quarter ended			GROUP Half-year ended		
	30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %	30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %
<b>Total profit</b>	11,893	13,739	-13%	22,379	22,632	-1%
<b>Other comprehensive income:</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Available-for-sale financial assets						
- Fair value gains/(losses)	131	(331)	NM	212	(379)	NM
Currency translation differences arising from consolidation	(139)	(1,844)	-92%	(3,769)	(1,023)	268%
<i>Item that will not be reclassified subsequently to profit or loss:</i>						
Actuarial loss	(102)	(128)	-20%	(208)	(250)	-17%
<b>Other comprehensive loss, net of tax</b>	(110)	(2,303)	-95%	(3,765)	(1,652)	128%
<b>Total comprehensive income</b>	11,783	11,436	3%	18,614	20,980	-11%
Total comprehensive income attributable to:						
Equity holders of the Company	7,474	8,984	-17%	11,082	15,666	-29%
Non-controlling interests	4,309	2,452	76%	7,532	5,314	42%
	11,783	11,436	3%	18,614	20,980	-11%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP Second quarter ended			GROUP Half-year ended		
	30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %	30.9.16 \$'000	30.9.15 \$'000	Inc/(Dcr) %
<u>Note 1: Other income</u>						
Interest income	1,249	1,321	-5%	2,257	2,648	-15%
Sublease income	316	300	5%	632	600	5%
	1,565	1,621	-3%	2,889	3,248	-11%
<u>Note 2: Other gains and losses</u>						
Fair value gains/(losses) on foreign exchange contracts and financial assets held for trading	102	(421)	NM	622	(632)	NM
Gain/(Loss) on disposal of available-for-sale financial assets	23	-	NM	(81)	-	NM
Surplus on liquidation of an associated company	-	106	-100%	-	106	-100%
Currency exchange gains/(losses) - net	829	1,390	-40%	1,296	(1,008)	NM
	954	1,075	-11%	1,837	(1,534)	NM
<u>Note 3: The profit before income tax is arrived at after charging the following:</u>						
Depreciation expense	(2,615)	(2,652)	-1%	(5,234)	(5,351)	-2%
Loss on disposal of property, plant and equipment	-	(61)	-100%	-	(84)	-100%
Amortisation of other intangible assets	(53)	-	NM	(107)	-	NM
<u>Note 4: Income tax expense</u>						
The provision for income tax is made after taking into account non-deductible expenses and temporary differences and based on the statutory tax rates of the respective countries. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17%, mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher tax rates.						

NM – not meaningful

**1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**Statements of Financial Position**

	Note	GROUP		COMPANY	
		30.9.16 \$'000	31.3.16 \$'000	30.9.16 \$'000	31.3.16 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		296,662	259,069	56,525	61,044
Trade receivables		74,042	102,558	-	-
Other receivables and prepayments		40,401	37,812	12,587	14,314
Financial assets held for trading		980	970	980	970
Loans to subsidiaries		-	-	16,714	13,150
Inventories		4,957	5,552	-	-
Properties held for sale		30,378	30,413	-	-
Contracts work-in-progress		38,080	34,962	-	-
Available-for-sale financial assets		14,600	13,557	14,600	13,557
Foreign exchange contracts		1	68	-	56
		500,101	484,961	101,406	103,091
<b>Non-current assets</b>					
Other receivables and prepayments		3,807	3,827	-	-
Available-for-sale financial assets		68,149	61,576	29,758	23,185
Property, plant and equipment		12,961	14,565	-	-
Investment properties		142,864	146,182	-	-
Other intangible assets		1,078	1,186	74	74
Investments in associated companies		-	200	-	-
Investments in joint ventures		16,242	13,755	-	-
Investments in subsidiaries		-	-	79,426	79,465
Deferred income tax assets		2,393	2,369	-	-
		247,494	243,660	109,258	102,724
<b>Total assets</b>		747,595	728,621	210,664	205,815
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		192,709	183,378	1,448	1,344
Income tax payable		10,737	11,590	-	255
Loans from subsidiaries		-	-	39,593	33,987
Contracts work-in-progress		22,767	15,900	-	-
Borrowings	1(b)(ii)	5,095	5,095	-	-
Foreign exchange contracts		563	1,580	563	575
		231,871	217,543	41,604	36,161
<b>Non-current liabilities</b>					
Trade and other payables		8,616	7,212	-	-
Borrowings	1(b)(ii)	85,806	88,354	-	-
Pension liability		2,735	2,740	-	-
Deferred income tax liabilities		2,972	3,035	-	-
		100,129	101,341	-	-
<b>Total liabilities</b>		332,000	318,884	41,604	36,161
<b>NET ASSETS</b>		415,595	409,737	169,060	169,654
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		104,555	104,555	104,555	104,555
Treasury shares		(13,048)	(12,600)	(13,048)	(12,600)
Other reserves		(28,671)	(25,052)	2,444	2,523
Retained profits		241,781	237,939	75,109	75,176
		304,617	304,842	169,060	169,654
Non-controlling interests		110,978	104,895	-	-
<b>Total equity</b>	1(d)(i)	415,595	409,737	169,060	169,654

**1.(b)(ii) Aggregate amount of group's borrowings and debt securities.**

Amount repayable within one year or less, or on demand

<b>As at 30.9.16 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
5,095	-	5,095	-

Amount repayable after one year

<b>As at 30.9.16 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
85,806	-	88,354	-

Total borrowings of \$90,901,000 (31.3.16: \$93,449,000) are secured over properties held for sale and investment properties of the Group.

1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Statement of Cash Flows**

	GROUP		GROUP	
	Second quarter ended 30.9.16 \$'000	30.9.15 \$'000	Half-year ended 30.9.16 \$'000	30.9.15 \$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	14,969	18,117	28,840	30,258
Adjustments for:				
- Share of loss of associated companies and joint ventures	623	477	1,067	806
- Depreciation expense	2,615	2,652	5,234	5,351
- Amortisation of other intangible assets	53	-	107	-
- Loss on disposal of property, plant and equipment	-	61	-	84
- (Gain)/Loss on disposal of available-for-sale financial assets	(23)	-	81	-
- Surplus on liquidation of an associated company	-	(106)	-	(106)
- Fair value (gains)/losses on foreign exchange contracts and financial assets held for trading	(102)	421	(622)	632
- Finance expenses	664	1,185	1,335	2,331
- Interest income	(1,249)	(1,321)	(2,257)	(2,648)
- Unrealised currency translation (losses)/gains	(2,007)	(586)	(3,652)	2,335
	15,543	20,900	30,133	39,043
Change in working capital, net of effects from acquisition and disposal of subsidiaries:				
- Receivables	34,247	25,619	21,953	5,210
- Inventories and contracts work-in-progress	11,460	16,556	4,344	19,872
- Payables	(8,249)	(18,248)	10,382	(18,356)
Cash provided by operations	53,001	44,827	66,812	45,769
Interest received	1,249	1,321	2,257	2,648
Interest paid	(664)	(1,185)	(1,335)	(2,331)
Income tax paid	(4,970)	(8,214)	(7,401)	(11,225)
<b>Net cash provided by operating activities</b>	<b>48,616</b>	<b>36,749</b>	<b>60,333</b>	<b>34,861</b>



1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows (cont'd)

	GROUP		GROUP	
	Second quarter ended 30.9.16 \$'000	30.9.15 \$'000	Half-year ended 30.9.16 \$'000	30.9.15 \$'000
<b>Cash flows from investing activities</b>				
Proceeds from disposal of property, plant and equipment	5	29	5	224
Proceeds from disposal of available-for-sale financial assets	1,526	-	8,316	-
Purchase of property, plant and equipment	(324)	(667)	(957)	(2,112)
Purchase of available-for-sale financial assets	(10,347)	(38)	(15,740)	(1,464)
Proceeds from repayment of loan by a joint venture	2,726	50,800	5,453	50,800
Loan to an associated company	(1,460)	-	(1,460)	-
Loans to joint ventures	(3,018)	(180)	(3,018)	(8,221)
Net cash inflow from liquidation of an associated company	-	316	-	316
<b>Net cash (used in)/provided by investing activities</b>	<b>(10,892)</b>	<b>50,260</b>	<b>(7,401)</b>	<b>39,543</b>
<b>Cash flows from financing activities</b>				
Repurchase of shares	(739)	(12)	(739)	(2,393)
Repayment of borrowings	(1,274)	(22,850)	(2,548)	(25,114)
Dividends paid to non-controlling interests	(1,449)	-	(1,449)	(1,594)
Dividends paid to equity holders of the Company	(10,568)	(10,385)	(10,568)	(10,385)
<b>Net cash used in financing activities</b>	<b>(14,030)</b>	<b>(33,247)</b>	<b>(15,304)</b>	<b>(39,486)</b>
<b>Net increase in cash and cash equivalents</b>	<b>23,694</b>	<b>53,762</b>	<b>37,628</b>	<b>34,918</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period	271,518	238,698	259,069	260,053
Effects of currency translation on cash and cash equivalents	1,450	(1,236)	(35)	(3,747)
<b>End of financial period</b>	<b>296,662</b>	<b>291,224</b>	<b>296,662</b>	<b>291,224</b>

1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	(-----Other reserves-----)										
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>GROUP</b>											
Balance at 1 April 2016	104,555	(12,600)	303	(9,004)	514	(16,865)	(25,052)	237,939	304,842	104,895	409,737
Profit for the period	-	-	-	-	-	-	-	6,989	6,989	3,497	10,486
Other comprehensive income/(loss) for the period	-	-	81	-	-	(3,356)	(3,275)	(106)	(3,381)	(274)	(3,655)
Total other comprehensive income/(loss) for the period	-	-	81	-	-	(3,356)	(3,275)	6,883	3,608	3,223	6,831
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	-	(291)	-	-	-	-
Balance at 30 June 2016	104,555	(12,309)	384	(8,781)	-	(20,221)	(28,618)	244,822	308,450	108,118	416,568
Profit for the period	-	-	-	-	-	-	-	7,629	7,629	4,264	11,893
Other comprehensive income/(loss) for the period	-	-	131	-	-	(184)	(53)	(102)	(155)	45	(110)
Total other comprehensive income/(loss) for the period	-	-	131	-	-	(184)	(53)	7,527	7,474	4,309	11,783
Dividends - In cash	-	-	-	-	-	-	-	(10,568)	(10,568)	(1,449)	(12,017)
Repurchase of shares	-	(739)	-	-	-	-	-	-	(739)	-	(739)
Balance at 30 September 2016	104,555	(13,048)	515	(8,781)	-	(20,405)	(28,671)	241,781	304,617	110,978	415,595

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)							Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000				
<b>GROUP</b>											
Balance at 1 April 2015	101,324	(10,263)	493	(9,703)	358	(12,412)	(21,264)	310,199	379,996	10,456	390,452
Profit for the period	-	-	-	-	-	-	-	6,320	6,320	2,573	8,893
Other comprehensive (loss)/income for the period	-	-	(48)	-	-	532	484	(122)	362	289	651
Total other comprehensive (loss)/income for the period	-	-	(48)	-	-	532	484	6,198	6,682	2,862	9,544
Employee share-based compensation											
- Treasury shares re-issued	-	176	-	182	(358)	-	(176)	-	-	-	-
Dividends											
- In cash	-	-	-	-	-	-	-	-	-	(1,384)	(1,384)
- <i>In specie</i>	-	-	-	-	-	-	-	(84,291)	(84,291)	84,291	-
Repurchase of shares	-	(2,381)	-	-	-	-	-	-	(2,381)	-	(2,381)
Balance at 30 June 2015	101,324	(12,468)	445	(9,521)	-	(11,880)	(20,956)	232,106	300,006	96,225	396,231
Profit for the period	-	-	-	-	-	-	-	10,295	10,295	3,444	13,739
Other comprehensive (loss)/income for the period	-	-	(331)	-	-	(852)	(1,183)	(128)	(1,311)	(992)	(2,303)
Total other comprehensive (loss)/income for the period	-	-	(331)	-	-	(852)	(1,183)	10,167	8,984	2,452	11,436
Dividends											
- In cash	-	-	-	-	-	-	-	(10,385)	(10,385)	-	(10,385)
Balance at 30 September 2015	101,324	(12,468)	114	(9,521)	-	(12,732)	(22,139)	231,888	298,605	98,677	397,282

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)						Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Subtotal \$'000		
<b>COMPANY</b>								
Balance at 1 April 2016	104,555	(12,600)	303	1,706	514	2,523	75,176	169,654
Loss for the period	-	-	-	-	-	-	(150)	(150)
Other comprehensive income for the period	-	-	81	-	-	81	-	81
Total other comprehensive income/(loss) for the period	-	-	81	-	-	81	(150)	(69)
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	(291)	-	-
Balance at 30 June 2016	104,555	(12,309)	384	1,929	-	2,313	75,026	169,585
Profit for the period	-	-	-	-	-	-	10,651	10,651
Other comprehensive income for the period	-	-	131	-	-	131	-	131
Total other comprehensive income/(loss) for the period	-	-	131	-	-	131	10,651	10,782
Dividends								
- In cash	-	-	-	-	-	-	(10,568)	(10,568)
Repurchase of shares	-	(739)	-	-	-	-	-	(739)
Balance at 30 September 2016	104,555	(13,048)	515	1,929	-	2,444	75,109	169,060

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
<b>COMPANY</b>									
Balance at 1 April 2015	101,324	(10,263)	493	1,007	358	1,858	15,938	108,857	
Profit for the period	-	-	-	-	-	-	141,218	141,218	
Other comprehensive loss for the period	-	-	(48)	-	-	(48)	-	(48)	
Total other comprehensive (loss)/income for the period	-	-	(48)	-	-	(48)	141,218	141,170	
Employee share-based compensation - Treasury shares re-issued	-	176	-	182	(358)	(176)	-	-	
Dividends - <i>In specie</i>	-	-	-	-	-	-	(84,291)	(84,291)	
Repurchase of shares	-	(2,381)	-	-	-	-	-	(2,381)	
Balance at 30 June 2015	101,324	(12,468)	445	1,189	-	1,634	72,865	163,355	
Profit for the period	-	-	-	-	-	-	249	249	
Other comprehensive loss for the period	-	-	(331)	-	-	(331)	-	(331)	
Total other comprehensive (loss)/income for the period	-	-	(331)	-	-	(331)	249	(82)	
Dividends - In cash	-	-	-	-	-	-	(10,385)	(10,385)	
Balance at 30 September 2015	101,324	(12,468)	114	1,189	-	1,303	62,729	152,888	

**1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period, the issued and paid-up capital of the Company (excluding treasury shares) decreased from 523,043,357 ordinary shares to 522,121,257 ordinary shares. This resulted from the repurchase of a total of 922,100 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 28 July 2016. As at 30 September 2016, there were a total of 18,309,796 (30.9.15: 17,659,323) treasury shares.

**1.(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>As at 30.9.16</b>	<b>As at 31.3.16</b>
Total number of issued shares (excluding treasury shares)	522,121,257	522,631,530

**1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

On 1 April 2016, 411,827 treasury shares were utilised for the issue of 411,827 ordinary shares under the Boustead Restricted Share Plan 2011.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

On 1 April 2016, the Group adopted the amended FRS that are mandatory for application for the financial year ending 31 March 2017. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS. The adoption of these amended FRS did not result in substantial changes to the accounting policies of the Group and the Company, and is not expected to have a material effect on the amounts reported for the current or prior financial years.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

None.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	GROUP		GROUP	
	Second quarter ended 30.9.16	30.9.15	Half-year ended 30.9.16	30.9.15
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue (¢)	1.5	2.0	2.8	3.2
(ii) On a fully diluted basis (¢)	1.5	2.0	2.8	3.2
Weighted average number of ordinary shares in issue:				
Basic (*)	522,121,257	518,656,111	522,513,669	519,176,111
Fully diluted basis (**)	522,298,439	519,245,120	522,690,851	519,765,120

\* The basic earnings per share is computed based on the weighted average number of ordinary shares in issue.

\*\* The fully diluted earnings per share is computed based on the weighted average number of ordinary shares in issue adjusted for the effects of all potential dilutive ordinary shares.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.**

	GROUP		COMPANY	
	30.9.16	31.3.16	30.9.16	31.3.16
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	58.3	58.3	32.4	32.5
Number of issued shares (excluding treasury shares) as at the end of the period reported on	522,121,257	522,631,530	522,121,257	522,631,530

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### Overview

The Group's revenue is largely derived from project-oriented businesses and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

For 2Q FY2017, the Group registered revenue of \$113.5 million, total profit of \$11.9 million and profit attributable to equity holders of the Company ("net profit") of \$7.6 million. Quarterly revenue, total profit and net profit were 1%, 13% and 26% lower year-on-year respectively. After adjusting for other gains and losses net of non-controlling interests, quarterly net profit would be 32% lower year-on-year.

For 1H FY2017, the Group registered revenue of \$227.2 million, total profit of \$22.4 million and net profit of \$14.6 million. Half-year revenue, total profit and net profit were 2%, 1% and 12% lower year-on-year respectively. After adjusting for other gains and losses net of non-controlling interests, half-year net profit would be 30% lower year-on-year. Most of the Group's weaker performance in both 2Q FY2017 and 1H FY2017 is attributable to the depressed state of the global oil & gas industries, which significantly impacted the results of the Energy-Related Engineering Division.

The greater percentage decrease in net profit versus total profit in both 2Q FY2017 and 1H FY2017 is due to non-controlling interests at Boustead Projects Limited, which contributed proportionally more of the Group's total profit in 2Q FY2017 and 1H FY2017 as compared to the corresponding periods of FY2016.

#### 2Q FY2017 Division Revenue

Division	Revenue		Favourable/ (Unfavourable)	Revenue		Favourable/ (Unfavourable)
	2Q FY2017	2Q FY2016	Change	1H FY2017	1H FY2016	Change
	\$'m	\$'m	%	\$'m	\$'m	%
Energy-Related Engineering	25.4	35.2	-28	51.6	69.7	-26
Real Estate Solutions	62.2	53.8	+16	123.1	110.4	+12
Geo-Spatial Technology	25.7	26.1	-2	52.3	51.6	+1
	113.4	115.1	-1	227.0	231.7	-2
HQ Activities	0.0	0.0	+0	0.1	0.1	+0
Group Total	113.5	115.1	-1	227.2	231.8	-2

Note: Any differences in summation are due to rounding differences.



The 2Q FY2017 revenue performance of each division is summarised below.

The depressed state of the global oil & gas industries continued to significantly impact revenue at the Energy-Related Engineering Division, which saw a decline of 28% year-on-year to \$25.4 million. Cancellations or deferrals of major oil & gas capital expenditures have been prevalent across all parts of the value chain.

Although the industrial real estate sector continues to be challenging, the Real Estate Solutions Division (under Boustead Projects) achieved revenue of \$62.2 million, up 16% year-on-year on the better performance of the design-and-build business.

The Geo-Spatial Technology Division faced slight currency headwinds which resulted in revenue marginally decreasing 2% to \$25.7 million. Demand in Australia remained firm.

## 2Q FY2017 Group Profitability

The Group's gross margin for 2Q FY2017 weakened to 32% compared to 35% in 2Q FY2016. Gross margin pressure continues to build up.

Other gains and losses for 2Q FY2017 dropped 11% year-on-year to \$1.0 million, mainly due to lower foreign exchange-related gains.

Total overhead expenses for 2Q FY2017 (selling and distribution expenses of \$7.5 million and administrative expenses of \$14.9 million) declined 3% year-on-year to \$22.4 million as the Group applied prudent cost management measures. Higher selling and distribution expenses were mainly due to business development costs related to the Geo-Spatial Technology Division.

Finance expenses for 2Q FY2017 almost halved with the repayment of borrowings by Boustead Projects throughout FY2016, resulting in lower finance expenses in subsequent periods.

Share of loss of associated companies and joint ventures for 2Q FY2017 increased 31% year-on-year largely due to the elimination of construction and project management profits attributable to projects in which Boustead Projects has entered into with an associated company and joint ventures.

Profit before income tax ("PBT") for 2Q FY2017 decreased 17% year-on-year to \$15.0 million, in line with the fall in gross profit and partially offset by prudent cost management measures and lower finance expenses. A breakdown of PBT by divisions is provided.

Division	PBT		Favourable/ (Unfavourable)	PBT		Favourable/ (Unfavourable)
	2Q FY2017	2Q FY2016	Change	1H FY2017	1H FY2016	Change
	\$'m	\$'m	%	\$'m	\$'m	%
Energy-Related Engineering	*1.5	5.5	-73	*3.2	7.5	-57
Real Estate Solutions	9.1	7.2	+27	16.5	13.2	+24
Geo-Spatial Technology	4.8	5.8	-17	10.6	10.4	+2
	15.4	18.5	-17	30.3	31.1	-3
HQ Activities	(0.4)	(0.4)	+0	(1.5)	(0.8)	-88
Group Total	15.0	18.1	-17	28.8	30.3	-5

\* Includes \$1.1m and \$1.9m in foreign exchange gains in 2Q FY2017 and 1H FY2017 respectively

Note: Any differences in summation are due to rounding differences.

Despite significant challenges, all three divisions remained profitable in 2Q FY2017. PBT at the Energy-Related Engineering Division for 2Q FY2017 was boosted by a \$1.1 million foreign exchange gain, captured under other gains and losses.

Total profit for 2Q FY2017 decreased 13% year-on-year to \$11.9 million, attributable to the weaker results of the Energy-Related Engineering Division. The effective tax rate in 2Q FY2017 was 21% compared to 24% in 2Q FY2016.

Net profit for 2Q FY2017 decreased 26% year-on-year to \$7.6 million for reasons mentioned earlier.

## **Dividends**

In view of the Group's 1H FY2017 profit performance and Boustead Projects not paying any dividend, the Board of Directors has declared a reduced interim cash dividend of 0.5 cent per share. The Group is seeking to conserve cash resources in order to be ready to take advantage of potential acquisition and investment opportunities.

## **2Q FY2017 Statement of Cash Flows**

During 2Q FY2017, cash and cash equivalents (after taking into account the effects of currency translation) climbed \$25.1 million to \$296.7 million.

Net cash inflow from operating activities amounted to \$48.6 million, supported by strong cash inflows in working capital. Net cash outflow for investing activities amounted to \$10.9 million, mainly due to \$8.8 million in net purchase of available-for-sale financial assets and \$1.8 million net loans to an associate company and joint venture. Net cash outflow for financing activities amounted to \$14.0 million, mainly for \$10.6 million dividends paid to shareholders, \$1.4 million dividends paid to non-controlling interests, \$1.3 million repayment of borrowings and \$0.7 million repurchase of shares.

## **1H FY2017 Statement of Financial Position**

At the end of 1H FY2017, the Group's financial position remained healthy.

Under assets, cash and cash equivalents climbed to \$296.7 million, as described earlier under the explanation for Statement of Cash Flows. Trade receivables dropped to \$74.0 million due to collection from clients. Net contracts work-in-progress declined to \$15.3 million due to increased progress billings to clients. Investments in joint ventures rose to \$16.2 million mainly as a result of the extension of shareholders' loans to a joint venture for the development of an industrial property for lease.

Under liabilities, total trade and other payables rose to \$201.3 million largely due to increases in deferred revenue for clients and progress work by subcontractors. Total borrowings decreased to \$90.9 million due to the scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

The Group's net asset value per share stayed the same at 58.3 cents at the end of 1H FY2017 compared to the end of FY2016.

The Group's net cash position (i.e. net of all bank borrowings) stood at a significantly improved \$205.8 million at the end of 1H FY2017, translating to a net cash per share position of 39.4 cents. In addition, the Group held \$83.7 million in available-for-sale financial assets and financial assets held for trading at the end of 1H FY2017, of which more than half of the amount is highly liquid.

## **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

None.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's current order book backlog (unrecognised project revenue remaining at the end of 2Q FY2017 plus the total value of new orders secured since then) stands at \$216 million, of which \$84 million is under the Energy-Related Engineering Division and \$132 million is under the Real Estate Solutions Division.

The current macro economic environment continues to be challenging. In Singapore, the Monetary Authority of Singapore recently released statements on muted economic prospects and sentiment in Singapore for 2016 and 2017. In light of this, the Group will continue to apply prudent cost management measures.

The Group continues to search for M&A and investment opportunities across its divisions in related business fields, as well as in potential new business fields. Given the Group's significantly improved net cash position of \$205.8 million and untapped \$500 million multi-currency medium-term note programme, the Group is in an excellent position to capitalise on any good acquisition and investment opportunities that may arise.

While the Group believes it will continue to be profitable in FY2017, the level of profit may not match that of FY2016 due to the current macro economic environment.

**11. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount (per ordinary share)	0.5 cent
Tax Rate	Tax exempt (1-tier)

**(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Interim
Dividend Type	Cash/Scrip
Dividend Amount (per ordinary share)	1.0 cents
Tax Rate	Tax exempt (1-tier)

**(c) Date payable**

9 December 2016.

**(d) Books closure date**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed from 5.00pm on 25 November 2016 for the purpose of determining shareholders' entitlements to the interim dividend to be paid on 9 December 2016.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00pm on 25 November 2016 will be registered before entitlements to the dividend are determined.

**12. If no dividend has been declared/(recommended), a statement to that effect.**

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained a general mandate from shareholders for interested person transactions.

**14. Negative confirmation by the Board pursuant to Rule 705(5)**

We, Wong Fong Fui and Loh Kai Keong, being two of the directors of Boustead Singapore Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the 2Q FY2017 financial results to be false or misleading.

**15. Confirmation of Undertakings from Directors and Executive Officer**

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

On behalf of the board of directors

WONG FONG FUI  
Chairman

LOH KAI KEONG  
Director

BY ORDER OF THE BOARD

*Alvin Kok*  
*Company Secretary*  
11 November 2016